

**Virginia Workforce Council
Virginia Employment Commission
Richmond, Virginia
January 13, 2004
Minutes**

I. Call to Order – Chair Marjorie Connelly

Chair Connelly called the meeting to order at 8:35 a.m. The public comment period was announced.

II. Roll Call – Members Present

Marjorie Connelly, Chair	Senator Charles Hawkins
Hugh Keogh	David Brash
John Cannon	Daniel LeBlanc
James Copp	Secretary Michael Schewel
Mayor Rosalyn Dance	Supervisor Chair Don Sullenberger
Mark Dreyfus	James Underwood
Dolores Esser	Brett Vassey
C. Michael Ferraro	Secretary Belle Wheelan
Richard Gonzalez	Secretary Jane Wood

III. Approval of the Minutes – Chair Connelly

The minutes of the December 4, 2003 meeting were approved.

IV. Public Comment – Chair Connelly

There were no public comments.

V. Strategic Guiding Principles and Governance Standards for Virginia's Workforce and Career Development System – Dr. Barbara Bolin

Dr. Bolin summarized the public comments on the three documents regarding “Strategic Guiding Principles and Governance Standards for Virginia’s Workforce and Career Development System.” Approval of the documents will result in some policy changes. Those policies were outlined to Council before and will be reiterated throughout the document just to remind the Council what the policy changes would be if these documents are approved.

The first document, the Workforce Investment Board Member Selection Criteria and Certification received fairly extensive comments. The three policies that would be affected by adoption of this document are listed as one, two and three on that same page. For each document, there is a summary of the public comments.

All of the comments from local WIB staff have been taken note of. None of it will be lost, however, many of comments indicate that there is a need for considerable technical assistance and guidance from the state to help the local level get a better understanding of the system's approach that is being proposed. The comments revealed a few misunderstandings of what is being proposed. The comments dealt with funding issues, and so on, all of which can be addressed by technical assistance and guidance from the state level. They are not issues that the Council needed to be concerned about because they did not particularly address the policies being proposed.

For the WIB member job description, the comments show that there is some resistance to the state establishing minimum criteria for local membership, but nothing very strong, just minor resistance. The WIB Directors who commented felt that the job description and criteria should be guidance rather than requirements and that theme shows up quite a bit through the public comments. It is for you to decide as a Council whether the language in these documents be mandatory or simply guidance. The last bullet under number two is the concern expressed by some WIB directors and should certainly be paid attention to. We believe that with some help and guidance, particularly for CLEOs, in the nomination and selection process can overcome that fear. We don't believe that this will make it any more difficult to fill WIB vacancies than is the current case.

There is no opposition to state certification of the WIB members. The comments indicated that extensive technical assistance and guidance would be needed from the state level to help the local level to understand what it is the Council is trying to achieve here.

Mr. LeBlanc stated this is the first time he has seen a document that summarizes public comments since he has been on the Council. He stated they had a hour to deliberate on three documents and he is hearing from staff that there are a number of concerns with those three draft documents and it is his understanding there will probably be legislation that will be introduced before the General Assembly that deals with the functioning of the Council as well as the Special Assistant to the Governor. It is also his understanding that as part of this meeting today, there will be appointments to various Committees and none of those Committees have met nor have they deliberated on any of the policies that are before the Council today. The Committees have not had a meeting to discuss any of the public comments or concerns and the Council has not had a discussion about any of the three documents that are on the table this morning.

Mr. LeBlanc stated that for good business practice, the Council should refer the three documents to the Governance Committee and then make a report after the General Assembly is over because we don't know what the General Assembly is going to do with the legislation that is going to be introduced by the Governor. There are too many questions and too many things in these three documents to take action today.

Dr. Bolin stated they had copies of all the public comments and did not want to load the council with paper and asked staff to distribute this. The documents are not major policy changes. Upon review of the public comments, the Council will understand why the summary says exactly what it says.

Michael Ferraro stated that under the WIA legislation, for the \$40 million dollars that comes to the Commonwealth, the Council has a role in determining how those resources are used. For those who work at the local board level, we tell staff at the local level what to do with their WIA allocation when it comes to ITAs and administrative cost. I think when it comes to some of the system governance; the Council's responsibility is to tell somebody to do something.

Secretary Schewel commented that part of the success of the Council has been the ability to achieve consensus. Hiring the Special Advisor, the previous legislative changes, a whole lot of things, reflected the consensus of this Council. Basically Secretary Schewel endorsed these changes. But, nevertheless, Secretary Schewel thinks we need to have consensus. If consensus requires that we get everybody on this Council feeling like they have had sufficient time to comment on, absorb, and discuss these important documents, we should strive to do that.

Mr. Sullenberger commented that he spent the past weekend with Supervisors throughout the state discussing workforce initiatives and trying to get them on board in terms of support of local workforce systems. Also, there is a great deal of apprehension out in the field about these documents. There is a letter signed by over half of the WIB directors that addresses their concerns with these documents. The perception throughout the state is that implementation of a top down and very meaty policy with some financial teeth, which is necessary to make the system work, is imminent. However, the Council cannot issue policies that do not have a solidified agreement behind it in terms of those who are going to be implementing it in the field. Mr. Sullenberger thinks that Secretary Schewel is right on target in saying that we need to have consensus here.

Chair Connelly asked Dr. Bolin to walk the Council through the issues associated with the other parts of the proposal so that members are up to speed as to what some of the potential points of conflict are. Dr. Bolin indicated that she has also been going around the state trying to help people to understand what some of the changes might be and allay their fears. She pointed out that the three documents do not create radical change in what is currently being done. What these documents do is put some structure to the existing system. It gives the Council the chance to make sure that the right sorts of people are on workforce investment boards. Dr. Bolin has heard that complaint since day that the right sorts of people are not necessarily sitting on the local boards. The documents give guidance and structure and it does not cost money. It is a matter of moving from a second chance system where the WIBs concentrate purely on the WIA funding stream. We are trying to broaden their horizons to help them to work in partnership with other service providers and other organizations that have funds in their local

community. If the Council adopts this as a guidance structure, then it would be incumbent upon the state to provide guidance and technical assistance.

The next document deals with certification of the One Stop Centers. Dr. Bolin pointed out that many of the WIBs have already undertaken a certification process based on the Malcolm Baldrige criteria. It has been going on for about a year, and about half of them have already received certification. There is no intent to do away with any of that. Any One Stop that has already been certified will simply be grandfathered into the new system. Others that are still in the process can complete the process and will be allowed to. All we are trying to do is help the rest of the One Stops to achieve a minimum level of service to customers.

Dr Bolin indicated that ninety-five percent of the One Stops that she has visited around the state will almost receive an automatic certification. However, there are one or two and maybe some new ones that are going to be open where the Council may need to make it clear that there is a certain level of minimum expectation for service to customers. That is what this document does. It sets very simple but obvious guidelines. The One Stop must have a receptionist, for example, when customers walk through the door. A person must greet customers. There is no mandate that all services be available to everybody every day of the week. Provided can mean a service provider can be there for half a day, once a week, as long as that service is there. There is some fear that people are reading more into those words than they should.

The summary of comments indicates that there was no opposition to most of it. Most recognized that their One Stops are already meeting the criteria. There was a comment from one VWC member who suggested that this was such an important topic that this whole section should be moved to the front of the document, dealing with resource integration. There is a state MOU now that clearly has set a guideline for the service providers in every region to work collaboratively together. The MOU was presented to you at the last meeting. That is a very strong document and would be the basis for helping the local WIBs to form the partnerships that are necessary. This is such an important part of the system that a Council member thought that the whole topic of resource integration should go up front because that is really the heart of what we are talking about in the One Stops, fully integrated services to customers.

The third document has to do with system governance. This is the over arching governance structure that requires that WIBs be certified and be re-certified annually. There is a proposal in this document that even if the federal legislation allows the option to have youth councils that Virginia not ignore the youth. That Virginia maintains the youth council concept by actually expanding them to an entity called Education Councils

The State already has a conflict of interest policy in place. We recommend that because that comment in the document is very confusing, we simply say that the

WIBs must adhere to the current state policy regarding conflict of interest and that just takes care of all the concerns that were expressed.

Dr. Bolin indicated that these are changes that can be implemented now in the system, regardless of action to be taken by the General Assembly. She further commented that there is a tremendous desire across the Commonwealth to move forward with changes. The WIBs are ready, willing and able to get going and are looking for guidance. Many of them, for example, want to start on their strategic planning. They have waited for the Council to develop a strategic direction and now that they have that they feel that they can move forward. But they are looking for further guidance on what else to do to move the workforce system forward. There is a sense of urgency on their part. Dr. Bolin said she is merely translating that sense of urgency on the WIBs' behalf to the Council and that is why we are having this meeting. That is why these documents are up for the Council's approval today to get them out to the WIBs and simply tighten up this system and help it to move forward.

Chair Connelly asked for any questions or discussions. Dee Esser commented that one of the concerns she had that she read in the public comment is additional funding sources to help implement some of the changes. When she read the synopsis, the funding issue never was addressed. There is only x amount of dollars and if the Council is going to implement some of these changes, Ms. Esser thinks the Council needs to address funding support. Dr. Bolin stated that the state MOU that the three Secretaries signed made it clear that partner resources need to be brought to the table. That is what we are really talking about in building these local partnerships. When you visit the WIBs where this is actually working, it works extraordinarily well. Dr. Bolin indicated that she was in Alexandria last week and there were TANF staff working in the One Stop. It is all seamless. Those are the resources we are talking about. Yes the WIB has responsibility over WIA funds, but the expectation is about leveraging all of those other resources that the partners have. And if they do in fact come to the table and share their resources and work together, it works extraordinarily well. The WIBs are not being given an unfunded mandate. We are trying to encourage the development of partnerships that leverage all the resources in the community.

Brett Vassey commented that the one issue that the Council spent a lot of time on during the last year is information, primary data, not secondary or census data. The Council provided guidance for demand plans, and spent a lot of time on this. Mr. Vassey referred to the One Stop Career Center certification item number 4, which requires the local system to use the state developed management information system, and it indicates no opposition. Mr. Vassey thinks this is misleading. Mr. Vassey indicated that if more inquiry specifically on that issue were done, we would find quite a hornet's nest. Before the Council adopts a statement that says no opposition, there may be a little more exploration about what MIS means.

Dr. Bolin indicated that the concern is not that the WIBs do not want to use a state system, but there is concern with the current system. That is what Mr. Vassey may be hearing and the state, to some degree, shares their concern. However, Dr. Bolin indicated that these standards say that there should be a universal system and that everybody would use it and that is what we mean when we say no opposition. It is no opposition to the concept. There might in fact be opposition to the actual system that we are currently using and the state currently examining that.

Secretary Schewel commented that he did not want to prejudge what the Council is going to do, but if the Council decides to postpone acting on these documents until a later day, he did not want to give any comfort to the local WIBs that are concerned about a top down push. Secretary Schewel further indicated that from his point of view, part of the problem is insufficient top down push. Secretary Schewel did not want there to be any confusion about what the message was regarding his earlier consensus suggestion. Secretary Schewel also addressed Mr. Vassey's concern indicating that state officials have spent a significant amount of time over the past few months looking at MIS systems on a cost effective basis. Secretary Schewel felt that the state is very near to a conclusion regarding a powerful information system that the local WIBs will think of as a quantum leap forward and also cost effective.

Mr. LeBlanc made a motion for the three documents to be referred to the Committee on Governance. He stated that it is his understanding that the Administration is going to submit legislation to be considered by the General Assembly of Virginia to address a number of issues regarding the powers of the Workforce Council and the powers of the Special Advisor to the Governor on Workforce Development. These governance documents could run parallel or sideways to the final document that comes out of the General Assembly. Mr. LeBlanc did not think it made sense to adopt major restructuring that the Council has only had about a half hour discussion on. Mr. Keogh stated he agreed but asked to be reminded of the timing parameters.

Dr. Bolin stated that this meeting was called in hopes of getting a quorum to have the full Council act on the documents as opposed to the Executive Committee. The Executive Committee can meet and approve these documents. We thought it would be better to try to get consensus from the full Council. It is important for the Council to understand what is being done. The documents were given to the Council first at the strategic planning retreat back in November and they have been posted for public comment for some time.

Given the momentum across the Commonwealth and the response that Dr. Bolin has received in her visits, the WIBs are saying that they need to move forward, they need guidance and help and more direction from the state. Dr. Bolin is afraid of losing that momentum. It has been seven months since she was appointed and there has been a lot of deliberation and consideration at the state level as to what

should be done to improve the system or even create a system some people would say. These three documents are not earth shattering in their implication. They simply put some parameters around day-to-day business and set minimum standards, and in some ways, already duplicate, mirror, run parallel to, work that the Council has already approved, such as the one stop certification. That is a concept that the Council apparently bought into before and it is pretty widely accepted that we need something like that. The Executive Committee does have authority for this approval according to the Council bylaws, but we wanted the whole council to do it. The next meeting will not be until March. That is another three months down the road.

Secretary Wheelan stated that if the process follows like most other administrative bills, the Governor's amendments are not going to say much different than what we have already heard. Staff has been involved in helping develop that legislation. Secretary Wheelan did not feel that there is a danger in approving the documents today and their running contrary to what the Governor proposes. There is always a chance that it will look different once it gets into the General Assembly building and it comes back. But since the Council has kept, at least three members of the General Assembly apprised of what is going on, the Governor's legislation may not look that different.

Dr. Bolin stated the point that Secretary Wheelan made was well taken. The documents will support whatever the General Assembly debates. There are also one or two additional things that need to be decided. On the second page under WIB Board Member Certification, number two, the third bullet, there was a suggestion by a Council member that the document should be strengthened to include language regarding the optimum size of a WIB and clearly require that WIB members be individuals with optimum decision making responsibility within their organizations. That is something the Council will have to decide on. If it does, the Council will have to decide how the wording would be changed in the original document.

Another couple of points, in the second to last page under number 12, second bullet. A Council member recommended that the resource integration language be put up front in the document instead of later in the document. That is simply a move of a paragraph. The other item that needs to be considered on that same page, a Council member suggested that we should identify and require minimum skills and competencies for One Stop Center staff. That is not in the existing document, but that was a suggestion to maybe strengthen the document.

On the last page under number one. One WIB and several WIB directors made the suggestion that rather than requiring WIBs be certified annually, that they be certified bi-annually and that is a change that should probably be debated. There is a concern about the first two bullets under number two. WIB Directors are saying the Education Councils should be delayed until WIA is reauthorized.

Reauthorization is under way but it is not yet in conference. There is just general concern about what these Education Councils will look like.

Dr. Bolin indicated that those are the points for further discussion before deciding on whether or when to vote. Chair Connelly stated as a suggestion for a motion, that the Council endorses these standards and guidelines in principle. What that means basically is that the Council agree that in order to improve the local effectiveness of the Virginia system, we need more clarity around expectations and we do expect that a portion of this will have to come from some what of a top down approach and that Dr. Bolin should work with, in this case, it would be the Local Effectiveness Committee versus in the past the governance committee as well as other interested Council members. The final documents can be approved in March. Mr. Sullenberger made the motion as suggested by the Chair and the motion was seconded and approved.

Chair Connelly stated that there was not time for the other item to formally change the Articles of Organization to reflect the new committee structure. Chair Connelly stated this would be deferred until the March meeting, but asked Council members to take a look at the draft and if there are any questions or concerns to contact Dr. Bolin, Gail Robinson or herself.

Chair Connelly stated that there was good response for the five new Committee assignments and everyone was able to get his or her first or second choice. The Committees should act as a clearinghouse on initiatives that come before the Council that relate to that particular area and the Committees are encouraged to consider their specific activities for funding. An example would be to recommend funding Council memberships in an economic development organization with some of the discretionary funds that might be at our disposal. Each committee should determine what they would like to pursue. We do believe we will have limited funding available for such things and we still have to recognize that we need approval for those funds from the Executive Committee and the Administration to receive that.

Chair Connelly asked Gail Robinson to send Council members a listing of the new Committee members and Chairs. Chair Connelly asked Chairs to hold a Committee meeting prior to February 23, 2004, when the Executive Committee will meet. Committees should decide on any issues that will be coming to that Committee as well as any particular avenues that they might like to pursue. Each Committee should also submit a budget request to the Executive Committee.

Mr. Ferraro stated the National Association of Workforce Boards (NAWB) is having their annual conference in Washington, D.C. in March and it is a best practice summit of local WIBs and their effectiveness and tying it to economic development. He stated that Council members will be getting an email from him suggesting they go and they will ask for resources to support Council member

attendance. Conferees will also have an opportunity to visit Capitol Hill. Capital One is also sponsoring a reception for the Virginia attendees as they did last year.

Mr. LeBlanc stated that a Virginia official had testified for the Governor before a United States Senate Committee on Virginia's position on WIA reauthorization. Mr. LeBlanc suggested that Council members should be aware of the written comments prior to being involved in lobbying the United States Congress so as not to be in opposition with the Governor's position on that issue. Chair Connelly asked staff to provide members a copy of the testimony.

Dr. Bolin indicated that she will be preparing some points on the WIA reauthorization to send to Congress and she will be happy to make Council members aware of what those comments are before the NAWB conference. Chair Connelly asked for an update on WIA reauthorization at the next Council meeting.

VI. Adjourn – Chair Connelly

Chair Connelly announced the next council meeting will be held on March 31, 2004 and the meeting was adjourned at 9:45 am